

## NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN that pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (collectively, the “Act”), on November 25, 2014, the Governing Board (the “Governing Board”) of the Municipal Building Authority of Washington City, Utah (the “Authority”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Authority’s Lease Revenue Bonds, Series 2015 (or such other designation as the Authority may determine) (“Series 2015 Bonds”) and called a public hearing to receive input from the public with respect to the issuance of the Series 2015 Bonds.

### PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Authority shall hold a public hearing on January 14, 2015, at 6:00 p.m., at the Washington City Offices located at 111 North 100 East, Washington City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2015 Bonds and (b) any potential economic impact that the Series 2015 Project (described below) to be financed with the proceeds of the Series 2015 Bonds may have on the private sector. All members of the public are invited to attend and participate.

### PURPOSE FOR ISSUING THE SERIES 2015 BONDS

The Series 2015 Bonds will be issued for the purpose of (a) financing the construction of a police department building and related improvements (the “Series 2015 Project”) and (b) paying issuance expenses of the Series 2015 Bonds.

### PARAMETERS OF THE SERIES 2015 BONDS

The Authority intends to issue the Series 2015 Bonds in the principal amount of not to exceed Three Million Seven Hundred Thousand Dollars (\$3,700,000), to bear interest at a rate or rates of not to exceed six and one-half percent (6.50%) per annum, to mature in not more than twenty-one (21) years from their date or dates of issuance, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof.

The Series 2015 Bonds are payable solely from the rents, revenues and other income received by the Authority from the leasing of the Series 2015 Project (and other similar financed projects) to Washington City on an annually renewable basis.

The Series 2015 Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as part of said Resolution, forms of an Indenture (the “Indenture”), a Bond Purchase Agreement (the “Bond Purchase Agreement”), a Master Lease Agreement (the “Master Lease”), certain Security Documents (the “Security Documents”), and a Ground Lease (the “Ground Lease”), which were before the Governing Board and attached to the Resolution at the time of the adoption of the Resolution.

Copies of the Indenture, Bond Purchase Agreement, Master Lease, Security Documents, and Ground Lease are on file in the office of Washington City located at 111 North 100 East, Washington City, Utah, where they may be examined during regular

business hours of the City from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the last date of publication of this notice.

#### OUTSTANDING BONDS SECURED BY REVENUES

Other than the proposed Series 2015 Bonds, the Authority currently has \$9,373,000 principal amount of bonds outstanding secured by the rents, revenues and other income received by the Authority from the leasing of the projects to Washington City on an annually renewable basis.

#### OTHER OUTSTANDING BONDS OF THE AUTHORITY

Information regarding all of the Authority's outstanding bonds may be found in the Washington City audited financial report (the "Financial Report") at: <http://auditor.utah.gov/accountability/financial-reports-of-local-governments>. For additional information more recent than as of the date of the Financial Report please contact Roger Carter, City Manager (phone: 435-656-6300).

#### TOTAL ESTIMATED COST

Based on an estimate of the current interest rate and financing plan (including an expected issue size of \$3,700,000), the estimated total debt service cost of the Series 2015 Bonds, if held until maturity is \$6,465,029.

NOTICE IS HEREBY GIVEN that a period of thirty (30) days from and after the last date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Indenture, Bond Purchase Agreement, Master Lease, Security Documents, or Ground Lease (but only as they relate to the Series 2015 Bonds), or any provision made for the security and payment of the Series 2015 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever; and (ii) registered voters within the City may sign a written petition requesting an election to authorize the issuance of the Series 2015 Bonds. If written petitions which have been signed by at least twenty percent (20%) of the registered voters of the City are filed with the Authority during said thirty (30) day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2015 Bonds. If fewer than twenty percent (20%) of the registered voters of the City file a written petition during said thirty (30) day period, the Authority may proceed to issue the Series 2015 Bonds without an election.

Dated November 25, 2014.

/s/ Danice Bulloch

Secretary